

# **Supporting Working Families and Ensuring The Health and Safety of Children during the Current Economic Crisis**

## Background

Arizona is facing unprecedented, tumultuous economic times. Our state ranks third in the country for home foreclosures. Unemployment is hovering at close to seven percent, and thousands of Arizona families are struggling to make ends meet. Families are facing tremendous financial and emotional stress, threatening the well-being of young children.

First Things First was founded on the premise that it would build upon and fill gaps in an *existing* early childhood development and health infrastructure. Unfortunately, severe budget cuts to public and private programs statewide have eroded this infrastructure. The foundation of early childhood and development has literally been shaken and is crumbling. Many services to families and young children have either been severely diminished or eliminated completely.

The FTF Board has determined that as a growing and prominent agency, it must take immediate and proactive actions to shore up the foundation of early childhood and development of children 0-5. The FTF Board has expressed a desire to help mitigate some of the economic damage and turmoil and respond immediately to the urgent needs of Arizona's young children and families.

## First Things First's Response

To respond to the dire challenges being faced by families with young children, the statewide board has approved the following plan:

- Request approval from the ADOA for a bid waiver, granting authority to expedite the awarding of contracts quickly in certain areas through a non-competitive process.
- Direct \$23.8 million in discretionary dollars to two areas, using the expedited process described above:
  - \$23.3 million will be used to provide scholarships to working families with children ages 0-5 for early care and education for four months, until the federal stimulus money and FY 2010 state budget addresses needs. Scholarships will be administered through one administrative home statewide.
  - \$500,000 to provide emergency food boxes for families with infants and toddlers. Contracts would likely be awarded directly to food banks or related entities.
  - Requires regional councils to formally designate through a motion that they will participate in this plan for discretionary dollars.

- Allow regional councils “flexibility” to alter their funding plans to respond to immediate needs, using the expedited process described above.
  - Regional Councils can CHOOSE to change, enhance, or simply expedite strategies WITHIN the following goal areas, without board approval:
    - Access and Affordability
    - Family Support
  - Regional Councils can CHOOSE to add money to the goal areas listed above from the following areas:
    - Frontier adjustment
    - Carry forward
    - Needs and Assets
    - Evaluation
    - Communication (Up to 35 percent of the allocation may be shifted).
- Expedited procurement may also be allowed for selected health strategies, to be determined.